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BHV PROJECT LOGISTICS MONITOR

2023



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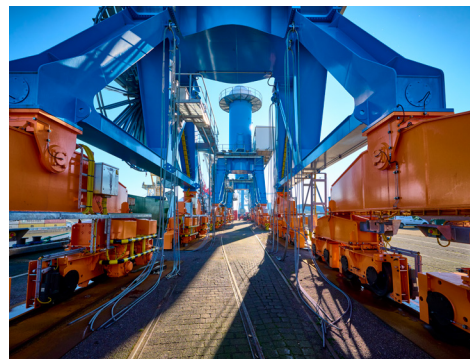
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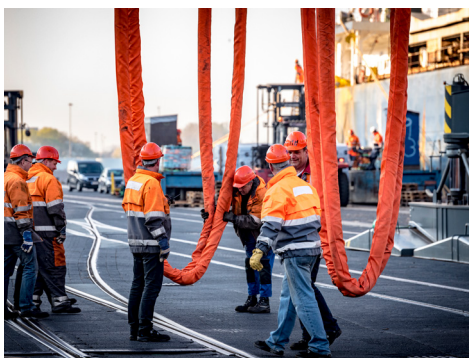
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OPTIMISM IN THE SECTOR, BUT: LACK OF APPLICANTS AND DIGITALIZATION CAUSING CHALLENGES



How's the world of project logistics doing? Our current edition of the Project Logistics Monitor 2023, that the BHV – Bremen Port & Logistics Association regularly compiles, gives a clear answer: Despite the current challenges an optimistic mood prevails. Albeit, the lack of suitable trainees and skilled employees has now reached our sector. Three-quarters of companies are already suffering from trying to secure skilled 'white collar' applicants. The topic of cost pressure along the entire supply chain is currently evaluated by those surveyed as just as critical for their business success.

Not only from the Human Resources answers, but also from many other survey results we, as BHV, recognize important trends for our ongoing work to support our member companies even more in the marketplace. This applies above all to our 'evergreen' - digitalization. Great potential is slumbering there. Around half of those

surveyed are convinced that, in the project logistics business, new customers can be acquired through their own innovative digital processes. Unfortunately, the companies are still very reluctant to actively go after this potential.

So, there we have a first, brief insight into the contents. I wish you all enlightening and gripping reading – and look forward to your suggestions for the next BHV Monitor.

I don't want to miss this opportunity to thank our advertisers, who have really reduced the financial burden for this edition.

Hearty greetings from the Weser,

Patric Drewes PhD
Member of BHV Executive Committee

Bremen, May 2023



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APPROACH AND METHODOLOGY

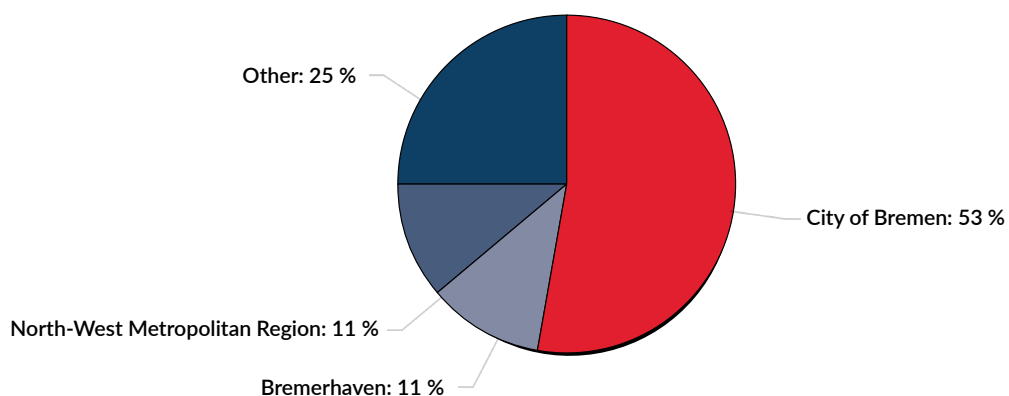
Around the turn of the year 2022/2023, BHV used an anonymous online survey among selected member companies, their customers and other logistics service providers and shippers from the BHV network on the topic of project logistics.

The topic: A second comparable survey facilitating a good data comparison to the first study in 2020/2021. Those results were published in the 'BHV Project Logistics Monitor 2021'. This publication is in the BHV Mediatheque in German and English: <https://bhv-bremen.de/#mediathek>

Once again, the tool used for this was 'UmfrageOnline.com', not only guaranteeing the anonymity of those surveyed, but also the highest data protection standards.

After evaluating the type and number of participating companies, it was established that the group now questioned are comparable in their structure with the first analysis two years ago.

Our headquarters, or the facility mainly handling project logistics is located in:

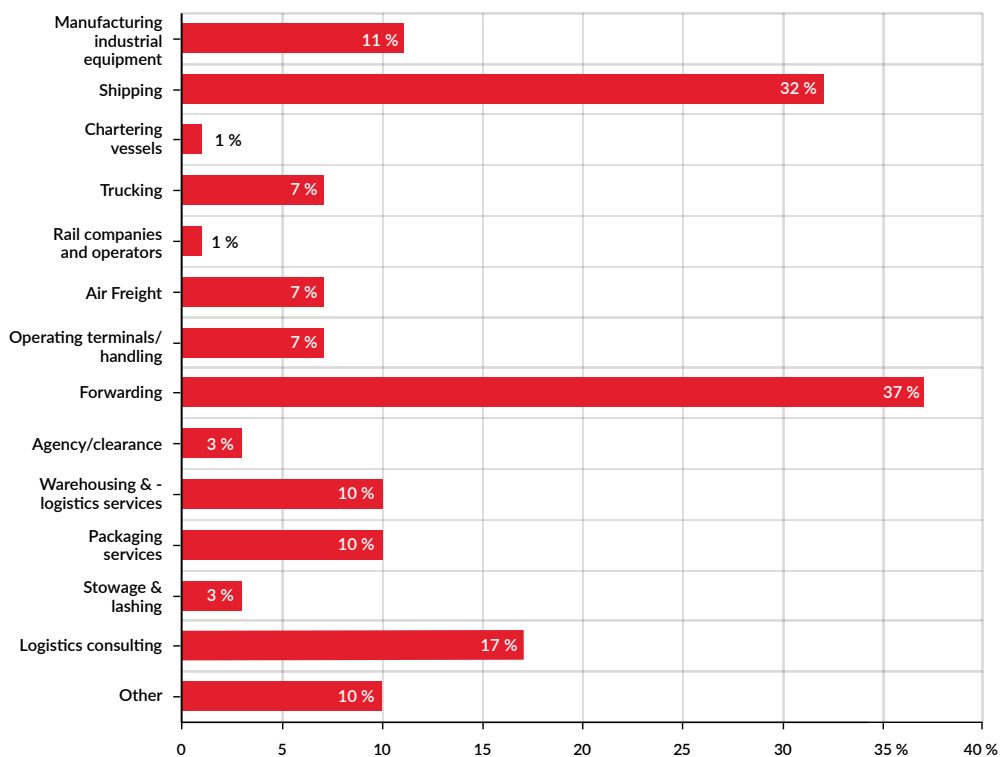


72 companies have taken part in the current survey. 63% of these are BHV members. They have either their headquarters or their companies project logistics facility mostly in the City of Bremen (53%).

Of the participating companies, 11% each are located in the North-West Metropolitan Region and Bremerhaven. A quarter of those questioned named locations in the Ruhr region, Southern Germany or Hamburg.

Our headquarters, or the facility mainly handling project logistics is located in:

(More than one choice is possible, maximum two strongest turnover areas)

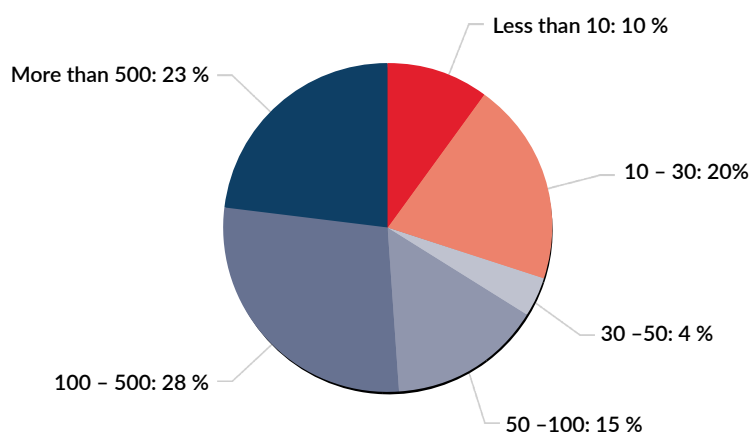


More than a third of companies questioned (37%) are forwarders. Almost a third (32%) are mainly active in the shipping industry, but not more than one percent operate see-going vessels.

Further declarations varied between rail operators with a clear one percent and logistics consulting (17%) – they make apparent the sheer range of logistics services. This includes warehousing and logistics services as well as packing services (10% each), operating terminals including handling (7%), and stevedoring and lashing work (3%). Add to these, road transport (7%) and with considerably less quantity, brokerage and clearance (3%). Other declarations included insurance, surveys, software production/IT and trading in used containers.

Some 11% of participants are manufacturers of industrial products, making them (potential) customers for all business areas in the logistics services palette. The manufacturers were asked special questions separately.

Our company employs the following number of employees:



As the evaluation shows, the participating companies are decidedly mid-sized companies: Roughly half of them employ a maximum of one hundred employees. 100 to 500 employees are to be found in a good quarter of the companies (28%). With very great probability, many of the companies with more than 500 employees (23%) are manufacturers, making them (potential) customers for the logistics service providers as shippers.

As a comparison: The number and structure of the companies, participating in the current (anonymous) survey, correspond for the most part with the data from 2021, as already mentioned above. This means that there is good comparability between the current survey results and those of two years ago.

Above all, against the backdrop of the Ukraine war breaking out in February 2022, the decision was taken against holding a concurrent BHV Project Logistics Monitor, since the great twists and turns in logistics related to it, would not have produced reliable, comparable results.



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SECTOR OVERVIEW

3.1 Situation of the Bremen Ports compared to the most important competitors

Exact, reliable statistics, recording the number and scope of worldwide shipments of major projects do not exist. The annual reports of the relevant ports: Bremen/Bremerhaven, Hamburg, Antwerp and Rotterdam were evaluated for the BHV Project Logistics Monitor 2023 with the focus on conventional, non-containerized general cargo or breakbulk – generally without vehicles or RoRo services.

The following picture emerged - handling in millions of tons. However, this has to be seen with caution regarding the comparability of the ports among each other.

Year/Port	Bremen/ Bremerhaven	Hamburg	Antwerp	Rotterdam
2020	6.8*	1.2	6.6	6.0
2021	8.4*	1.3	13.1**	6.9
2022	8.2*	1.4	13.2**	7.6

Sources: For Bremen/Bremerhaven – Senator for Science and Ports; Hamburg – Port of Hamburg Marketing; Antwerp – Havenbedrijf Antwerpen; Rotterdam – Port of Rotterdam; combined ports of Antwerp-Zeebrügge – Port of Antwerp-Bruges

*) Changed evaluation / cargo basis compared to BHV Project Logistics Monitor 2021

**) The jump has occurred due to the merger of Antwerp and Zeebrügge, with the figures for 2021 also subsequently being added together for the Port of Antwerp-Bruges

When evaluating the figures, it is essential to bear in mind that, when compiling their statistics, the ports may well be using different delimitations for 'non-containerized general cargo' as a cargo category. While compiling this report the authors of the BHV Project Logistics Monitor 2023 have paid attention to a common standard, where the types of cargo were sufficiently delineated.

As an example, RoRo services that are highly significant for the Bremen Ports and Antwerp, were extracted. This was not possible for Hamburg, but in view of the minimal volume, it is statistically insignificant.

Background: Main competitor

Within the scope of the BHV Project Logistics Monitor 2023 survey – as already in 2021 – Antwerp was considered as the most significant competitor for the Bremen ports by its own players.

This has been aggravated by the Ports of Antwerp and Zeebrügge merging in April 2022 into the Port of Antwerp-Bruges, which also explains the jump in the statistical handling quantities. The merged port operation “should achieve a stronger position in international competition, becoming the European leader in the energy transformation into a ‘Green Port,’” as a press release on the merger states.

“Combining the two platforms provides us with the opportunity to be prepared for disruptions,” explains Wim Dillen, International Development Manager for the Port of Antwerp in an interview with the DVZ (Source: DVZ online, 3 May 2022). As soon as disruptions occur, a part of the cargo can be flexibly switched to the other port. This is necessary, since going forward, the ports will have to adapt to disrupted supply chains.

The ‘new’ port is currently making great efforts to become better known in its hinterland. The Port of Antwerp-Bruges defines its main catchment area as “being between Antwerp and Berlin and all southern regions. This includes Baden-Württemberg, Rheinland-Palatinate, Bavaria, Austria, Czech Republic and Switzerland.”

With this port merger, the biggest export port in Europe has been created – ahead of Rotterdam.

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3.2 Background: Shipping lines as competitors

Just before the editorial deadline for this edition of the BHV Project Logistics Monitor 2023, it became known that the Danish shipping line and logistics group A.P. Møller-Maersk is going to massively increase its activities in project logistics (Source: DVZ twentieth edition, 17 May 2023).

After taking over the Danish specialist forwarder Martin Bencher A/S at the beginning of this year, Maersk Project Logistics division – MPL has been established.

The entire range of logistics is on offer, covering all modes of transport, primarily for major projects in the industry, energy and infrastructure sectors, but also for ad-hoc shipments for individual heavy loads. According to the DVZ article, the MPL division consists of more than 350 staff in five regions spanning the globe. Alongside the 170 staff from Martin Bencher, there are project logistics experts from the former Maersk forwarder Damco Logistics, as well as staff from Maersk's special cargo team.

The project logistics order book is already well filled. "For this year alone, it comprises hundreds of millions of dollars," says Tim Killen, MPL's Global Head of Growth in the DVZ. "It is a very good mixture of major, medium-sized and small projects, as well as spot business right across the range from disaster relief, renewable energies and power stations, as well as cellulose and paper."

The aim is to double the business volume within five years, Killen adds: He was previously head of sales for Deugro project forwarding, before joining Maersk in February 2023.

The company wants to build up steam, above all in the major project segment, exploiting existing business relationships from other Maersk product areas to EPC companies – engineering, procurement and construction – who carry out such projects for investors.

According to Killen, with its project logistics division, Maersk is advancing into an undersupplied market segment. "Through the consolidation in the forwarding and project forwarding field, service capacity has diminished through the years. This process is going to continue, if you think about the planned sale of DB Schenker," adds the DVZ article.

When carrying out projects, MPL will fall back equally on cargo holds, warehousing and handling sites in the marketplace, as well as on its own Maersk network. Investments in its own special 'assets' for project cargo are being continually decided.

In liner shipping Maersk is already one of the most active players, when it is a question of carrying special cargo, such as heavy loads as additional cargo on container vessels.

It remains to be seen if, and how much, effect this remarkable commitment by A.P. Möller-Maersk will have on the competitive situation for project logistics companies in the Ports of Bremen. Since, just like the forwarders, Maersk Project Logistics is fundamentally free in its choice of ports and/or suitable suppliers: MPL will certainly play out its power in the marketplace.

3.3 Sector meeting point - BHV Project Logistics Expert Forum ("Fachforum Projektlogistik")

The project logistics sector has been meeting regularly after each new year since 2015, discussing current market insights, trends and developments in the sector. The Project Logistics Expert Forum ("Fachforum Projektlogistik") has established itself as a platform to discuss trends and current topics at high level. Because of the Pandemic, the 2021 event had to take place online – 2022 as well.

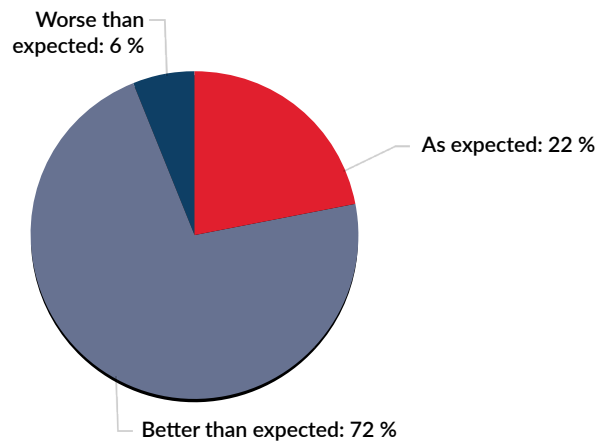
Even if the digital implementation of the conference programme was envisaged rather sceptically in advance by those interviewed, equally so, the option for a hybrid event form going forward, some 170 participants registered for the digital premiere of the Project Logistics Expert Forum in January 2021 – more than in-person in previous years. Nevertheless, those surveyed for the BHV Project Logistics Monitor 2021 were united: "The in-person events on-the-spot are irreplaceable."

In 2023, the BHV Project Logistics Expert Forum took its traditional place in the Bremen Civic Hall, Albeit with an above-average attendance of 150 delegates.

SURVEY RESULTS & ANALYSIS

4.1 Business development in companies surveyed

How we finished fiscal year 2022:

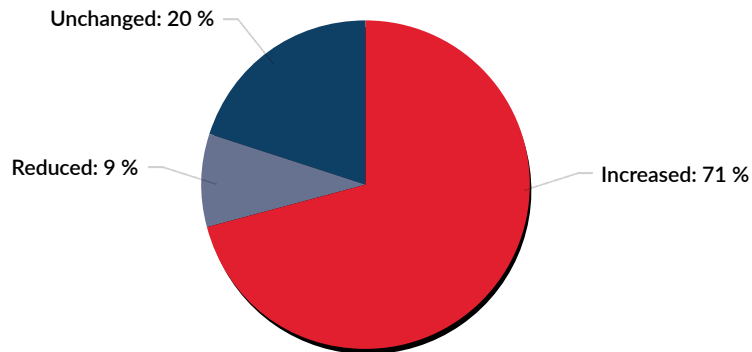


Since the spring of 2020 the breakbulk sector has experienced great uncertainty during the Corona pandemic. On top of this came the invasion by Russian troops into the Ukraine in February last year resulting in full-scale war. It is against this backdrop that the survey results are much more variegated than in past years.

Despite the Russian sanctions resulting from the Ukraine war, it is surprising that 72% of those surveyed have a better result in Fiscal 2022 than in the previous year. For only six percent was the result worse.

Comparison: In 2021, just under a quarter of those surveyed (24%) reported that the previous year (2020) ran 'better than expected'. More than a third (37%) complained at the time that development was worse than expected.

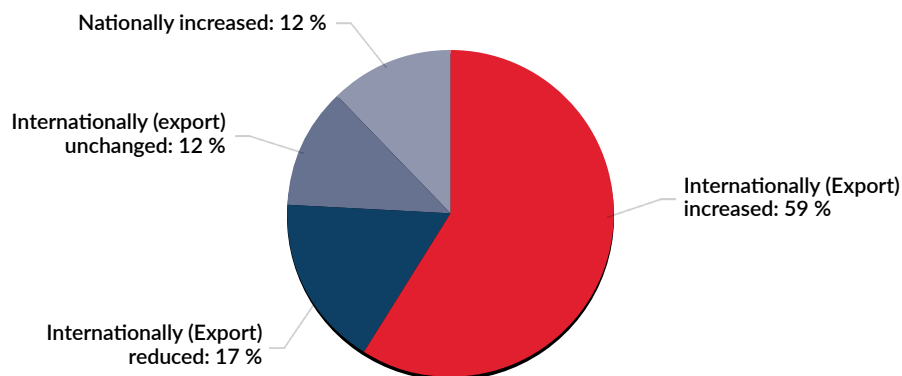
In 2022, our cargo volume in the project logistics sector developed as follows compared to the previous year:



The basis for the positive review by those surveyed is to be found in the development of cargo volume in project logistics. In 2022 too, this ran, not surprisingly, parallel to business development in the companies surveyed – and very positively at that.

Comparison: In 2020 the cargo volume developed in a very restrained manner: It increased for 41%, however, 39% reported sinking volumes.

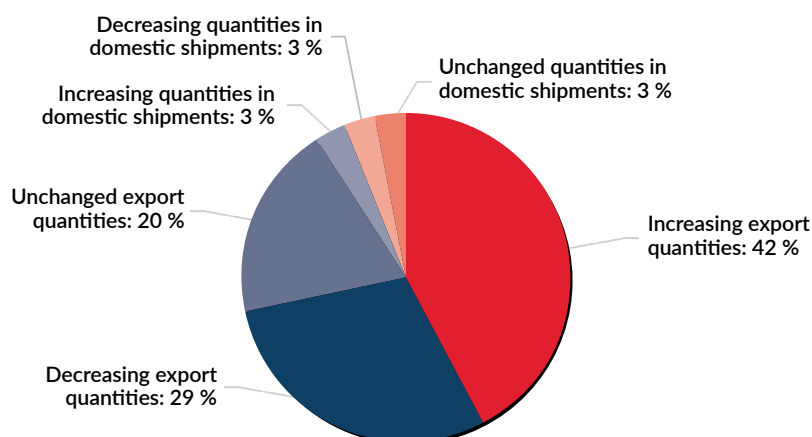
In 2022, our shipped quantities in project cargo developed in exports and/or nationally as follows compared to the previous year:



Both this and the following question differentiate the previously made statements with regard to volume developments in exports and domestic shipments, by exclusively surveying industrial manufacturers. Here too, there is a considerably more positive picture than two years ago: In the relevant export business, 59% of industrial companies surveyed report increasing quantities.

Comparison: During 2021, almost half of companies surveyed (48%) reported considerable reduction in exports and almost a third (30%) sinking quantities in national shipments: At the same time, more than a third (35%) exports rose and for 20% domestic shipments too.

For 2023 we expect exports and/or domestic shipments compared to the previous year:

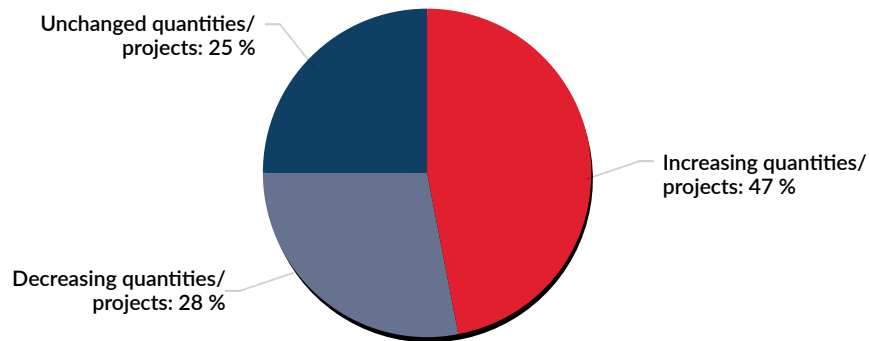


At the time of the survey, around the turn of the year 2022/2023, the Corona Pandemic was losing its grip. An end to the associated impact was foreseeable for the surveyed participants. The consequences of the Ukraine war and/or sanctions against Russia remained evident.

Here too, the results are considerably more positive than two years ago: 42% of those surveyed expect increased export quantities. **Comparison:** In 2021 it was 34%.

Set against this, national shipments clearly play a lesser role, making it quite apparent how export-oriented the sector is.

Compared to 2022, for 2023 we expect the following consolidated development for our company regarding the number of projects and/or volume:

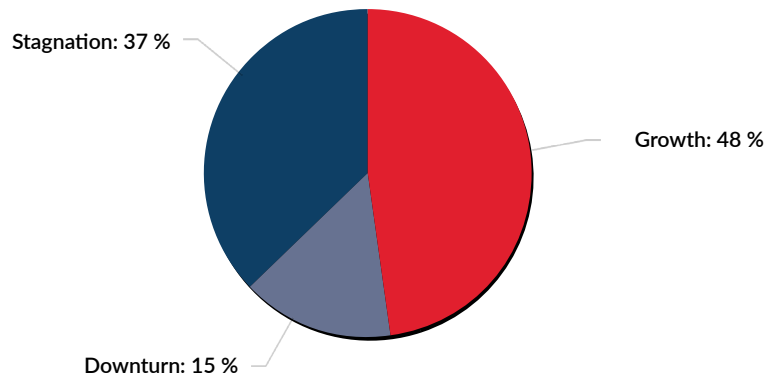


The general outlook for survey participants for 2023, related to their own company, is however, not quite so optimistic as might be expected from the earlier survey values: Almost half of companies (47%) expect increasing quantities/projects: a quarter expect stagnation, 28% expect a downturn. This result is closely interrelated with the participants' expected general market trend in the sector, as the following graph will show.

Comparison: Despite the considerably worse values expected at the time, where concrete figures were requested, the quantity forecasts in 2020 for 2021 were very similar to current values.

4.2 Market and competition trends

Compared to 2022, we expect the following development for the entire project logistics market:

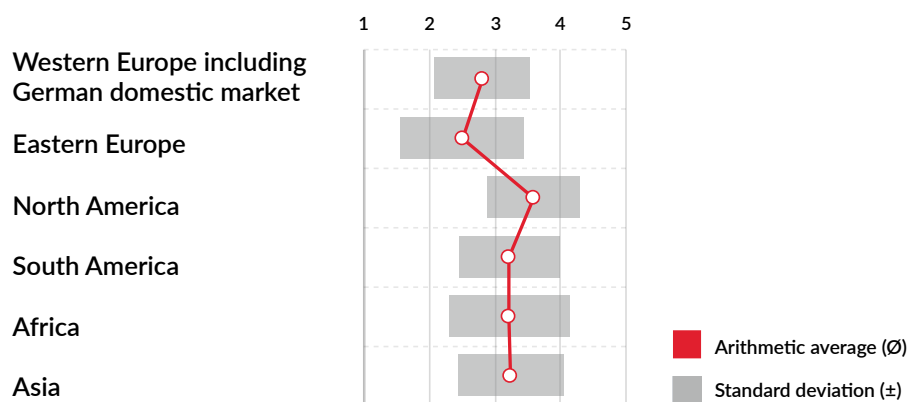


The general market expectations of those surveyed on project logistics are running parallel to expectations of one's own business development, see graph above. 48% of those surveyed are absolutely optimistic: "I expect growth." Only 15% expect a downturn and 37% a stagnating market.

Comparison: In 2021, expectations concerning growth were similarly high (45%), albeit almost double the number (26%) of those surveyed expected a downturn.

Differentiation, broken down into individual cargo markets was investigated with the following question:

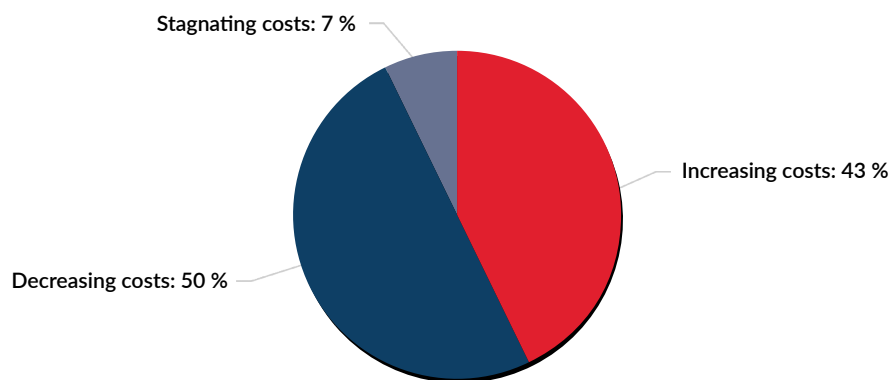
From our point of view, the following cargo markets in the project logistics business are going to develop medium-term:



In the opinion of the companies surveyed, the strongest impetus for project logistics is from North America. South America, Africa and Asia are evaluated as somewhat positive, whereas Eastern Europe is expected to fall back to a below average value.

Comparison: In 2021, the participants saw an above-average market development in Asia with a value of nearly four on the scale. Such a high value is not currently forecast for any region or market.

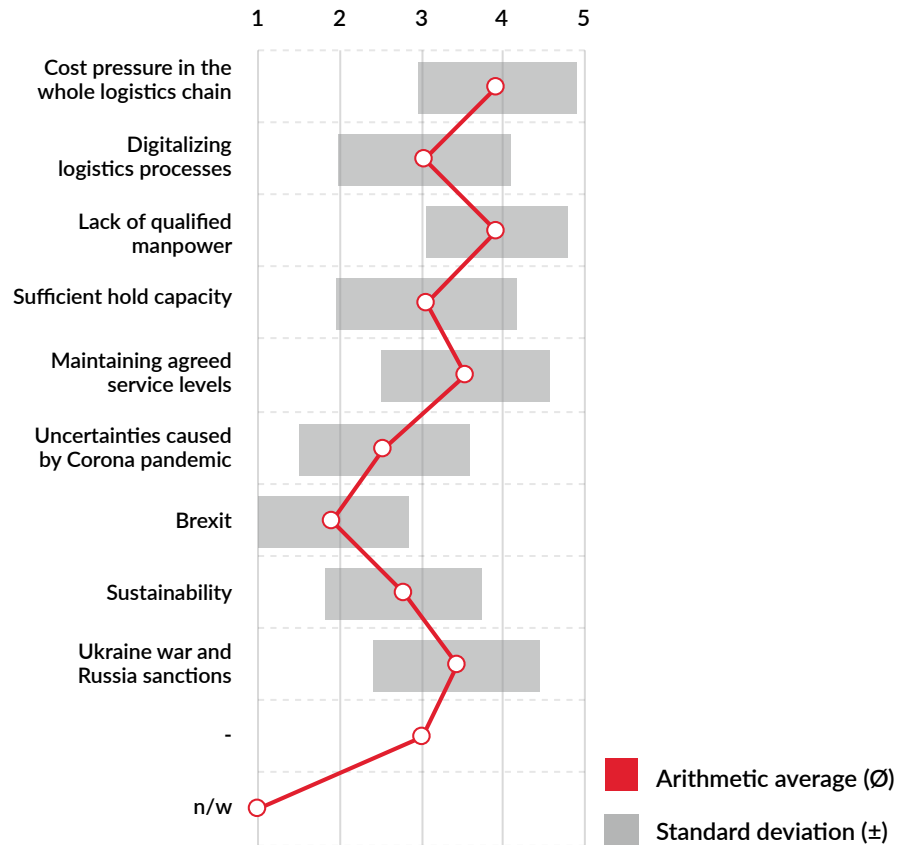
In comparison to 2022, we expect 2023 to show the following development of transport prices / logistics costs / freight rates:



Precisely half of those surveyed expected that in the current year costs in the project logistics business will sink in comparison to the previous year. This exceeds the market participants who still expect costs to increase (43%).

Comparison: The rotating cost spiral triggered above all by the outbreak of the pandemic appear to have been considerably reigned in this year. Two years ago, almost two-thirds of those surveyed (63%) were convinced that costs throughout project logistics would rise in 2021, compared to the previous year. 25% reckoned with consistent costs: Only 12% expected sinking costs.

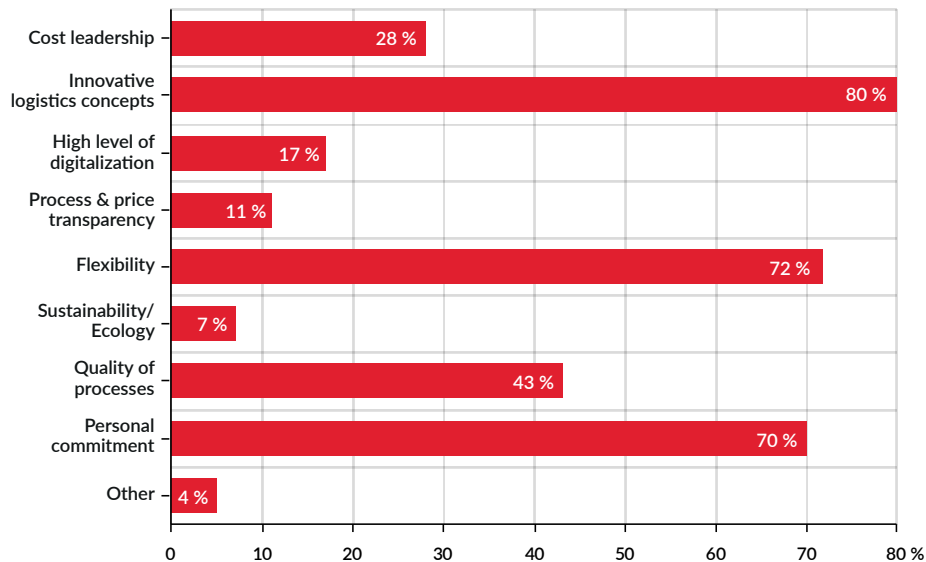
From our point of view, the following challenges will play an important role in the project logistics business in 2023:



As was already the case in 2021, those surveyed see the challenges in the project logistics business relatively calmly. As the most important influencing factor cost pressure remains unchanged, but now level with a lack of skilled employees. Imponderables, caused by the Corona Pandemic, present no above-average challenge: The Ukraine war and the related sanctions against Russia are seen merely as slightly above-average challenges by those surveyed (more than one answer was possible).

Comparison: In 2021, cost pressure was already considered the biggest challenge, followed by the impact of the Corona Pandemic. Both factors were seen at the time as the two big concerns. As today, two years ago, Brexit played no big role: Equally, the topic of insufficient skilled manpower was seen as a slightly above-average challenge.

These are the three most important characteristics project logistics operators can use in the marketplace to differentiate themselves from the competition:



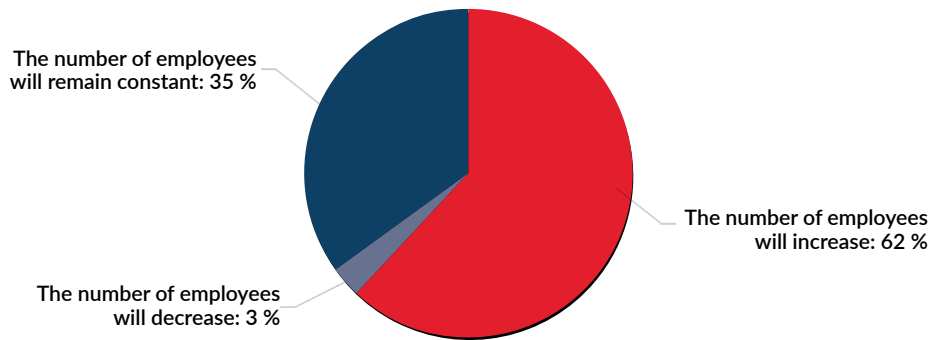
With less complex logistics services, one argument is always put forward first when being awarded contracts – price. This is what makes the result so surprising: Cost leadership only appears in fifth place in a selection of nine differentiation characteristics named by the companies surveyed. Only 28% of participants include it among the three most important points.

Right at the top of the list are ‘Innovative logistics concepts’ that 80% considered the most important differentiation characteristic (more than one answer was possible). This is followed by ‘Flexibility’ at 72%, ‘Personal commitment’ (70%) and ‘Process quality’ at 43%. A ‘High level of digitalization’ and ‘Process and price transparency’, as previously, play a surprisingly minor role. This applies equally to ‘Sustainability’ that until the present has hardly been mentioned as a criteria for awarding contracts.

Comparison: In 2021, ‘Personal commitment’ was considered the most important characteristic to successfully rise above the competition. This factor is still seen as very important, but has been superseded by ‘Innovative logistics concepts’ that at the time at 56% presented the third most important argument for successful market differentiation.

4.3 Development of job market and employment situation

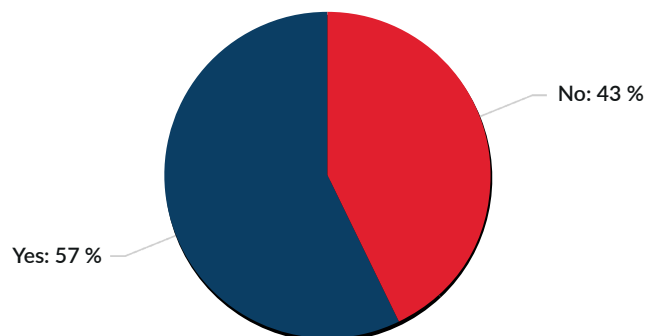
This is how our human resources planning looks for project logistics in 2023:



In 2023, just under two-thirds (62%) of those surveyed plan to increase their number of employees – more than double as many as two years ago. Only three percent anticipate a reduction.

Comparison: In 2021, almost two-thirds (63%) expected to keep their workforce constant. Only almost one-third (30%) planned to create new jobs: six percent were considering a reduction.

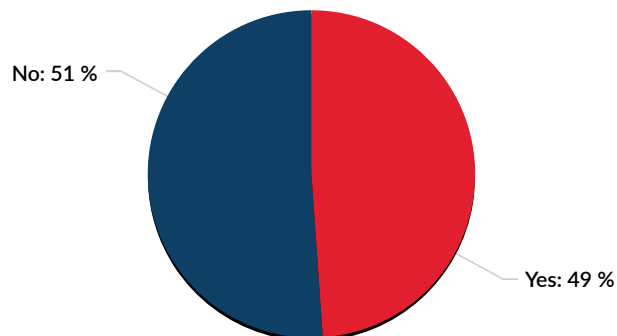
Are we providing vocational training in our company in the project logistics sector?



The vocational training quota of companies surveyed lies at 57%.

Comparison: In 2021 was at almost two-thirds (63%), it was at a similar level. The answers to the individual additional question, in which sectors are you training, all companies once again answered 'white collar'.

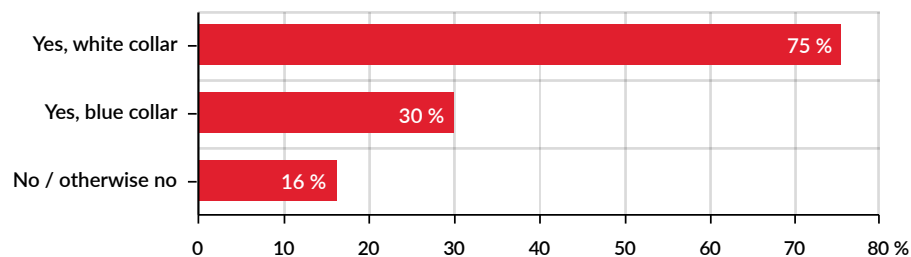
Were we able to fill all vocational places on offer?



Among those surveyed, barely half of the vocational places on offer were filled – a remarkable downturn.

Comparison: In 2021, two-thirds of all companies surveyed were still able to fill all of their vocational places on offer.

Are we basically suffering from a lack of skilled applicants?

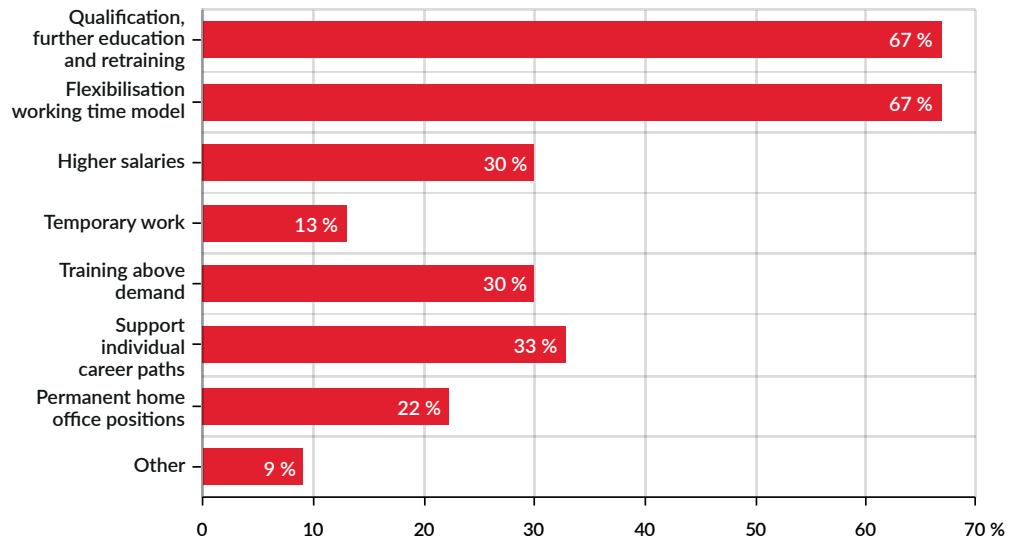


Analogous to only filling half of the vocational places on offer, the companies surveyed are suffering from a clearly noticeable increasing lack of skilled applicants compared to 2021 – meanwhile three-quarters of companies 75% report this.

In 'blue collar' jobs it is 30% – considerably more than two years ago, in fact almost twice as many.

Comparison: In 2021, only 56% suffered from a lack of skilled applicants in white collar jobs. In blue collar vocational training it was 16%.

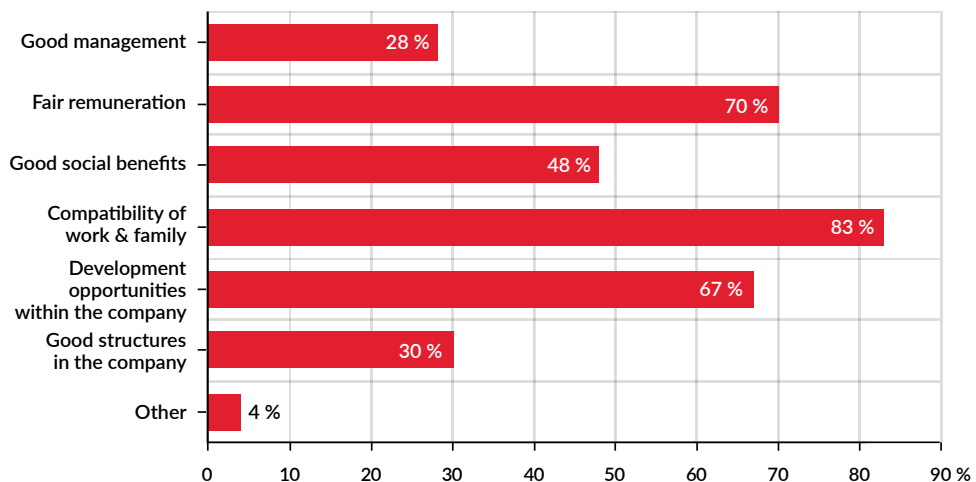
What are we doing in our company against the lack of skilled applicants?



Qualification measures, in-service training and retraining, as well as relaxing working-time models, are the approach being taken by two-thirds of the companies surveyed. This is seen as being the way to go to reduce their own skills deficits (more than one answer was possible). Interestingly, temporary workers only play a role in 13% of companies. With higher salaries and supporting individual career paths each one is developing almost a third of their employees.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

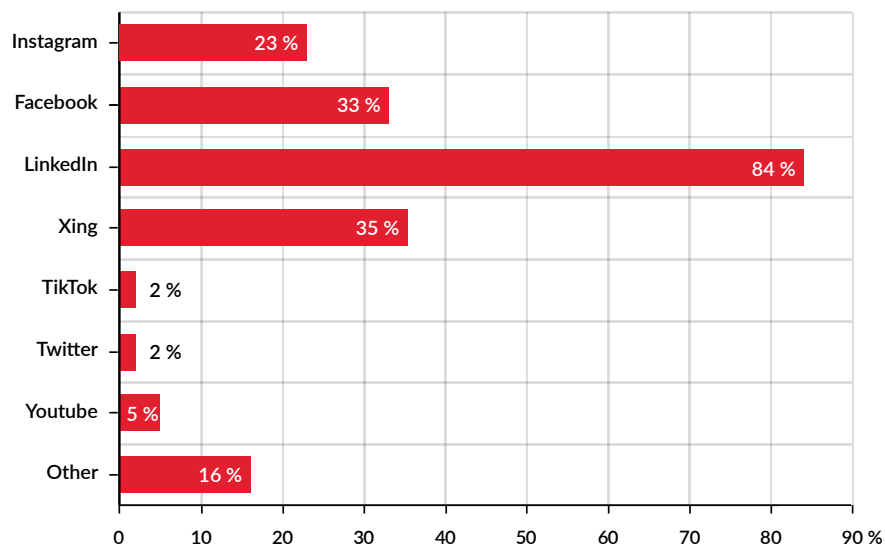
Seen from our perspective, these aspects are decisive for the younger generation, both students and vocational trainees, when choosing their workplace:



For the younger generation work-life balance plays the most important role in their choice of future workplace - 83%, (more than one answer was possible), soon followed by fair remuneration (70%). Good management (28%) and a well-structured company (30%) are of least importance of the criteria surveyed.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

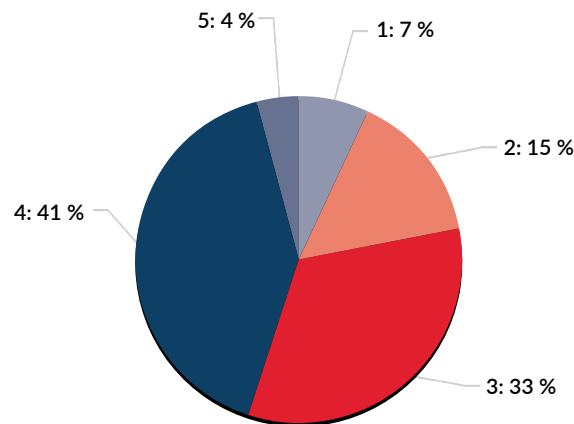
In our company we advertise through social-media communication channels to find trainees and skilled manpower:



An astonishing number of companies surveyed (84%) are active on LinkedIn, to present themselves as potential employers (more than one response was possible). The Xing platform that led the German-speaking market a few years ago was second but with a level of use by a good third, is a clear loser. Moving picture formats such as Youtube and TikTok play a minor role.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

In our company, do we have long-term strategic human resources planning?

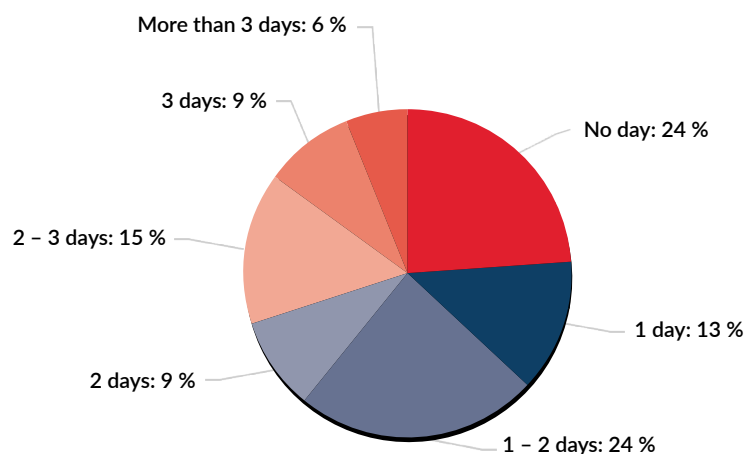


This question should clarify whether the companies surveyed strategically establish which competencies, experience and skills an employee needs to possess going forward. The spectrum of possible answers ranges from 1 = 'No, up to now, this has not been an issue for us', to 5 = Yes, we are currently dealing intensively with this'.

At present, almost half of those surveyed (46%) are (very) committed to the topic.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

How many days per week do our employees spend on average in their home office?

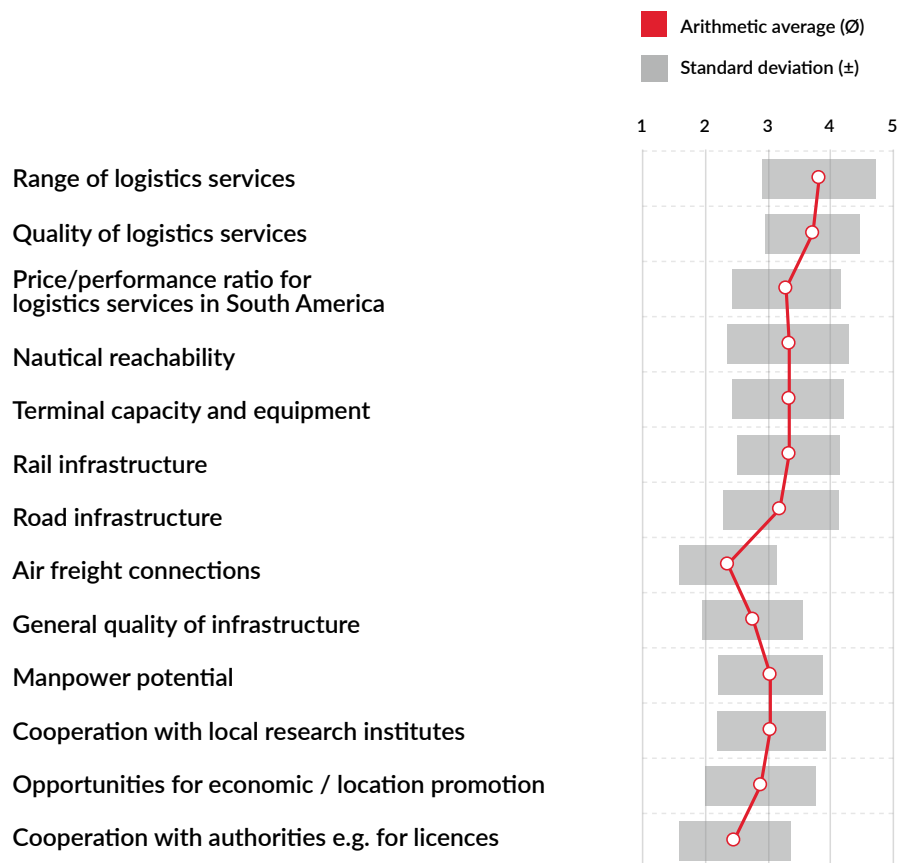


In a previous question, what the companies are doing about skills deficits, setting up long-term home office workplaces was only mentioned by 22% of companies, as a possible option. It is therefore not surprising that being on-the-spot in the office is relatively high: Almost one quarter of employees are permanently in the company. Only seven percent spend more than three days per week in their home office.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

4.4 Evaluating location and competition

Seen from our viewpoint, this is how we evaluate Bremen/Bremerhaven for the project logistics business, taking these factors into account (on a scale of '1 = Poor' to '5 = Excellent'):

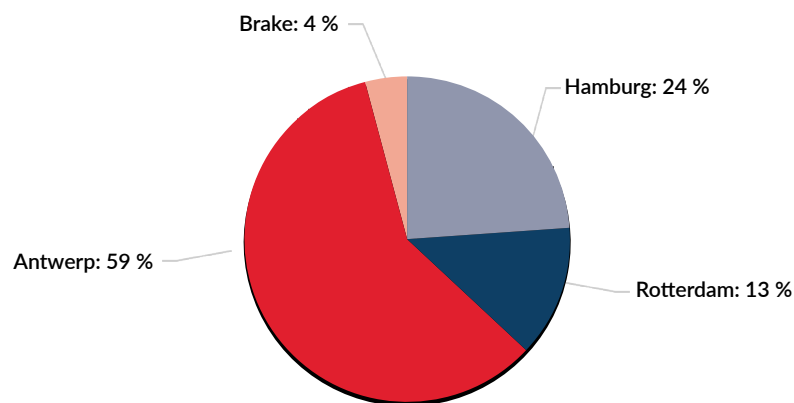


The evaluation of the specified location factors is mainly in the higher middle field. Neither 'excellent' nor 'poor' were awarded by the companies surveyed.

At best on a scale of 1 to 5 are 'Range of logistics services' and 'Quality of logistics services' with average values of 3.8 and 3.7. At the lower end of the range lie 'Air freight connections' (2.4) and 'Cooperation with authorities' (2.5).

Comparison: compared to 2021, there have hardly been any significant changes when evaluating the location factors. Noteworthy, as before, is the poorly evaluated 'Cooperation with authorities', e.g. for permits.

For the Bremen Ports, from our point of view, these ports are the most important competitors:



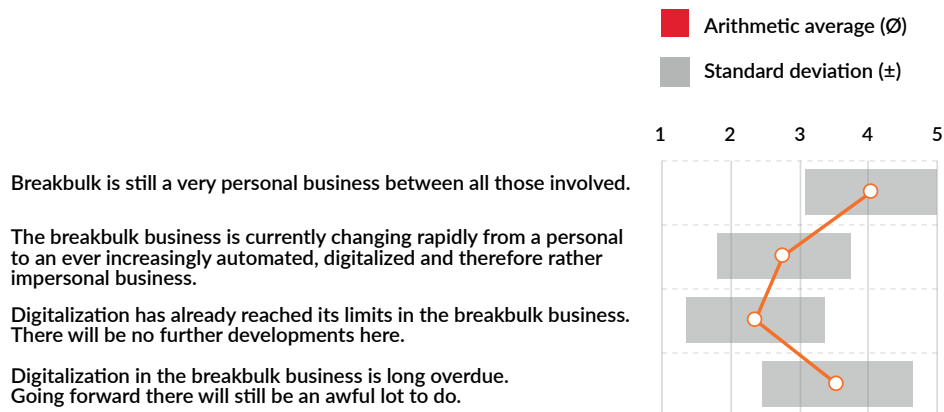
The Belgian Port of Antwerp continues to be the biggest competitor for the Bremen Ports as seen by almost two-thirds (60%) of participants, followed by Hamburg (24%). Quite amazing: Only 13% of those surveyed named Europe's biggest port, Rotterdam in first place among the competitors.

Brake, Nordenham, Antwerp and the Mediterranean ports, interestingly, play almost, or absolutely no, role. In individual answers, no other port was mentioned.

Background: The Ports of Antwerp and Zeebrügge merged in April 2022 into the Port of Antwerp-Bruges, leading to a big jump in handling quantities. There is more on this in Chapter 3 (Sector Overview / Situation of Bremen Ports in comparison to the most important competitors) in this edition of the BHV Project Logistics Monitor.

4.5 Digitalization in the project logistics business

This is how we evaluate the digitalization trend in the project logistics business (on a scale of '1 = absolutely not true' to '5 = absolutely agree'):



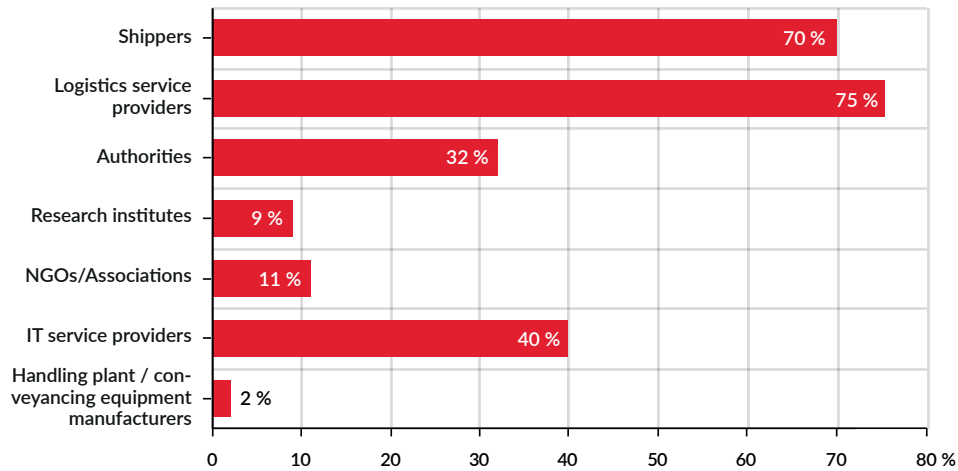
In project logistics, 'personal' business remains unchanged in top ranking. On a scale of '1 = absolutely not true' to '5 = absolutely agree', those surveyed gave this statement a value of 4.04.

The participants do not really see the breakbulk business shifting from a personal to an evermore automated, digitalized and resultingly rather impersonal business.

The statement that, in the breakbulk business, digitalization has begun with a delay and that going forward there will be a lot to do, is slightly positively evaluated with a value of 3.55.

Comparison: Compared to 2021, there has been no noteworthy change in the evaluation of the digitalization trend.

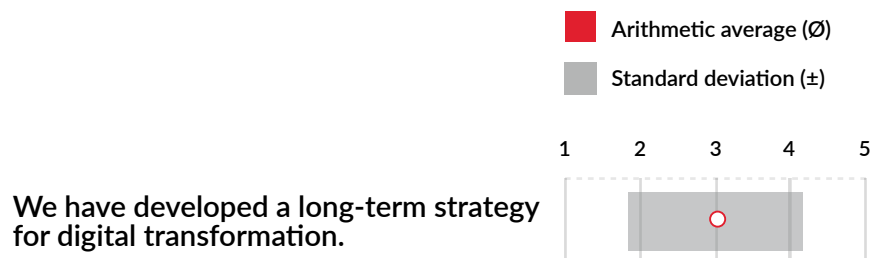
These should be the three strongest drivers for digitalization in the project logistics business:



Here, the logistics service providers see that they themselves have to be proactive. With the question regarding the three strongest drivers for digitalization, 75% of participants see themselves right at the top, closely followed by the shippers at 70%. With a considerable gap come IT service providers/Start-ups (40%). Only just under one-third of those surveyed (32%) urged the authorities to take on a greater role in digitalization. The manufacturers of handling equipment, associations and research institutes, hardly play any role among those surveyed.

Comparison: Compared to 2021, there is no noteworthy difference in the answers to the question of digitalization drivers.

Has our company developed a long-term strategy for the digital transformation (on a scale of '1 = No, that's definitely not a topic for us' to '5 = We are currently working all out on it')?

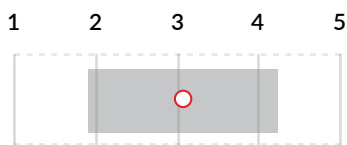
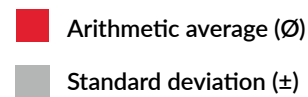


When considering their own company, or the organization of their own supply chain in project logistics business regarding digitalization, there is clearly room for improvement: The average value on a scale of '1 – No, that's definitely not a topic for us' to '5 – We are currently working all out on it' lies at 3.0.

It is well worth noting the large standard deviation ranging from 1.84 to 4.16.

Comparison: Compared to 2021, there is no noteworthy difference in the answers to the question of digital transformation.

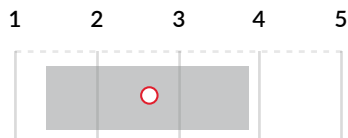
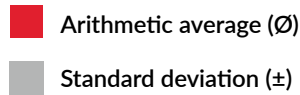
In the project logistics business, can we gain new customers or projects through our own innovative digital processes (on a scale of '1 – Absolutely not' to '5 – Yes, I am absolutely convinced of that')?



This question was addressed exclusively to service providers. Here too, the same scepticism can be seen as in the previous question. As to the question, whether they are convinced that they can gain new customers or projects through their own innovative digital processes, the answer lies with an average of 3.09 on a scale of '1 – Absolutely not' to '5 – Yes, I am absolutely convinced of that'. Albeit, here too, the standard deviation is from 1.9 to 4.28.

Comparison: Compared to 2021, there is no noteworthy difference in the answers to the question, as to whether companies in the project logistics business can gain new customers or projects through their own innovative digital projects.

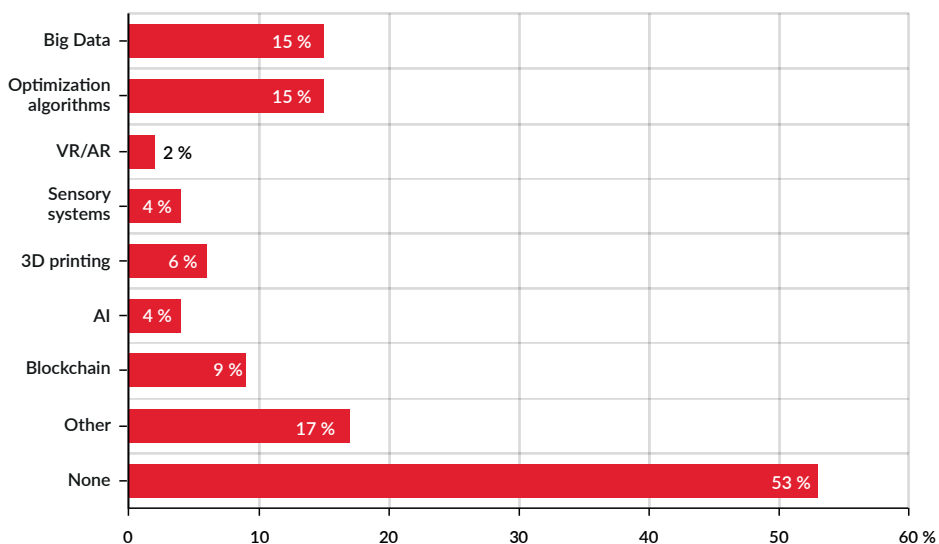
Have we already established our own, concrete digital projects in project logistics that, for example, lead to greater efficiency (on a scale of '1 - No, no way' to '5 - Yes, a range of them')?



This result too mirrors the answers to the previous questions: It is very similar. The evaluation of the current status on a scale of '1 - No, no way' to '5 - Yes, a range of them' resulted in 2.6 with a standard deviation from 1.35 to 3.85.

Comparison: Compared to 2021, the answer to the question, as to whether companies have already established their own concrete digital projects in project logistics, for example, to create greater efficiency, the arithmetic average has shifted slightly from 2.97 to 2.6. Yes, this is a minimal change, but once again points clearly to the stagnation in digitalization.

In which technological areas are innovations currently carrying us forward?

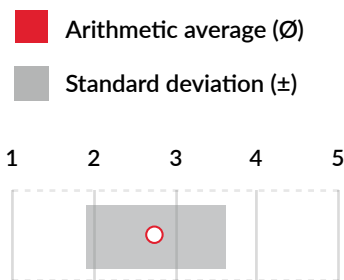


Digital innovations are clearly still no driver for project logistics companies with topics such as 'Big Data' (15%), 'Optimization algorithms' (15%), 'Virtual reality' (2%) and 'Blockchain' (9%), relatively few participants are involved. 'Sensory systems', '3D printing' and even 'Artificial intelligence' are hardly relevant in this survey.

A clear majority of the companies surveyed (53%) see no potential for innovation in the technological areas presented here.

Comparison: The technological areas presented here are amazingly, today, even less innovation drivers for the participating companies than they were two years ago. At that point in time, innovation potential was not visible for one third: Today, the number has grown to over one half.

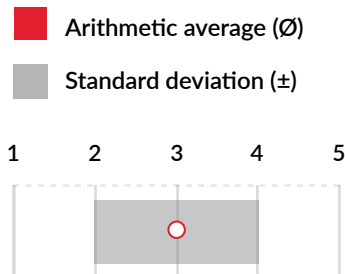
I, personally, feel informed about the diverse opportunities that digitalization has to offer for the project logistics business (on a scale of '1 – absolutely uninformed' to '5 – I feel excellently informed'):



A significant reason for the ongoing restraint regarding the topic of digitalization may well be the current information and knowledge level among project logistics experts. They judge their own level of awareness regarding the diverse opportunities on a scale of '1 – absolutely uninformed' to '5 – I feel excellently informed' with an average value of 2.77, with a standard deviation between 1.93 and 3.61.

Comparison: We are moving here in an area of minimal tolerances, but positively formulated, the comparison to 2021 looks as follows: The personal information status of the project logistics experts surveyed increased on a scale of 1 to 5 from 2.65 to 2.77 – In so doing, the participants still evaluate their knowledge as being slightly below-average.

My opinion about whether the project logistics business, as I experience it today, is going to fundamentally change through an increase in more disruptive processes in the next ten years, on a scale of '1 – No, absolutely not' to '5 – Yes, there will be tremendous change':



Here too, in the closing question on the subject of digitalization, not surprisingly, those surveyed were really holding back: Whether the project logistics business, as those involved experience it today, is fundamentally going to change through an increase in more disruptive logistics processes in the next ten years, leads to no clear trend.

The result on a scale of '1 No, absolutely not' to '5 – Yes, there will be tremendous change', lies exactly at 3.0 with a standard deviation between 1.98 and 4.02.

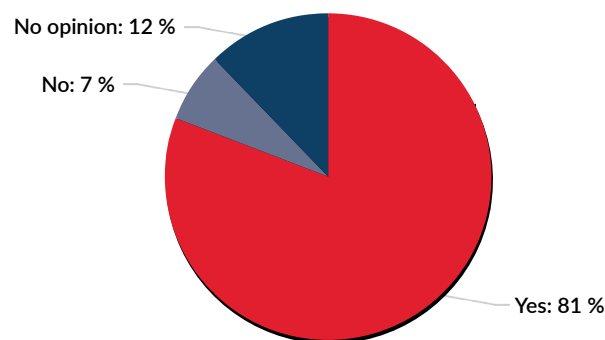
Comparison: Here too, the result almost exactly matches that of two years ago.

4.6 The issue of a national port strategy

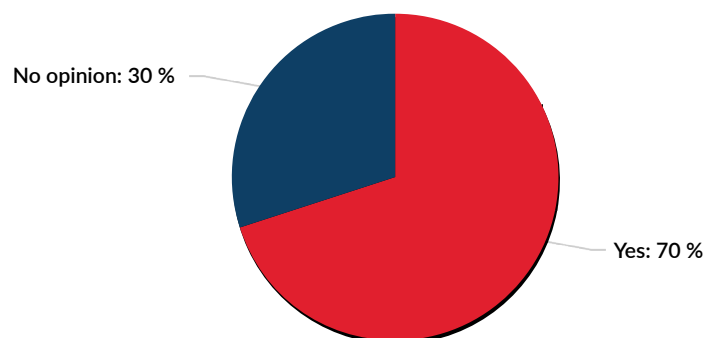
As transport and logistics service providers, shippers or manufacturers, are we in favour of a national port strategy?

Background: From the BHV viewpoint, the national port strategy is a political instrument, to be developed by the Federal Government, to promote development and efficiency, above all, of the German North Sea ports in competition with the ports at the mouth of the Rhine, to maximize the resulting economic advantages.

Such a national port strategy can for example be targeted to promote investments in port infrastructure, improving their competitiveness. BHV sees a port strategy as a medium-term goal leading to extensive cooperation between the North-German ports.



A national port strategy is favoured by 81% of the transport and logistics service providers surveyed.



In any event, 70% of shippers and manufacturers surveyed are in favour of the implementation of a national port strategy. No company surveyed is against. Albeit, almost a third of companies (30%) have no opinion, probably resulting from a lack of background knowledge on the issue.

Since this question has just been taken into the survey, a comparison with 2021 is not possible.

SUMMARY OF RESULTS

Crises, what crises?

After Brexit and the Corona Pandemic, followed by the ongoing war in the Ukraine and associated sanctions against Russia, for almost three-quarters of project logistics professionals surveyed by BHV, 2022 ran better than the previous year despite the many challenges. And for 2023, almost half expect that the market will grow compared to 2022.

Cost spiral reigned in

Still, two years ago, two-thirds of those surveyed were of the opinion that project logistics costs would continue to rise steeply, but this has changed: Currently, half expect that transport and logistics costs and/or freight rates will sink in 2023 in comparison to 2022.

North America creating impetus

North America is replacing Asia medium-term as growth-driver for project logistics. Those questioned see perspectives for Western Europe as slightly under average. Eastern Europe is bringing up the rear on expectation for the worldwide regions.

Workforce figures increasing – but suitably skilled staff becoming greatest concern

Certainly, cost pressure along the entire logistics chain is continuing to create real challenges, but now comes the lack of skilled workers – as the major stated issue – in project logistics too. And this before the backdrop of some two-thirds of companies surveyed wanting to increase their number of employees in 2023.

Half of vocational training places remain empty

The increasing demand for new employees stands in contrast to the lack of skilled applicants in commercial professions that 75% of companies surveyed are suffering from. Two years ago, it was only half. In the meantime, every other vocational training place remains empty. Two years ago, two thirds were still being filled.

Digitalization stagnating – personal commitment remains the real key

In project logistics, it's the personal touch remaining in pole position. Those surveyed really do not see any shift to automated, digital business. Progress in implementing real digital projects, such as for increasing efficiency, has hardly occurred compared to 2021 in the companies surveyed.

Clear commitment to national port strategy

Both the project logistics experts (81%) and the questioned shippers (70%) are calling clearly for the implementation of a national port strategy, i.e. a political instrument introduced by the federal government, to promote the development and efficiency of the German North Sea ports in competition with the ports at the mouth of the Rhine.

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For greater clarity, the use of parallel language forms: male, female & diverse – m/f/d have been avoided. Personal forms apply equally to all sexes.

Photos: bremenports

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ABOUT BHV

BHV is an association with some 220 member companies from logistics, port and transport fields, mainly from Bremen and Bremerhaven. The aim of the association is to make the members' interests discernible and to promote the image of this sector in the worlds of politics, business and society.

BHV organizes events, increasingly digitally, such as the regular presentation evenings in the port Hafenclub, Captains' Day in City Hall, as well as other topic-related events. This also includes the 'Project Logistics Expert Forum' ("Fachforum Projektlogistik") established in the sector well-beyond Bremen.

BHV was founded as the 'Society for the Promotion of Business' in 1942 and renamed in 1979 as BHV Bremische Hafenvertretung. Today BHV is active in the market under its extended name: Bremen Port and Logistics Representative Association – Bremische Hafen- und Logistikvertretung e.V..

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